By Dan D'Ambrosio

When he puts gas in his full-size pickup these days, Colchester contractor Mike Hartigan hardly pays attention to the price per gallon.

"It's gotten to the point where I stopped looking. I just put in 50 bucks and keep moving," Hartigan said last week. "What else can you do?"

Hartigan, 48, said he still gets out of town when he has the urge, but he does "think about it more." And one more thing.

"I squeeze a little more money out of the people going with me," he said. "Get people to share."

And who can blame him, given that the average price per gallon of regular gas in Vermont as of Friday was $3.87, and even higher in places such as downtown Burlington, where it was $3.95? One year ago, regular averaged $3.62 per gallon in Vermont. Nationally, the average price per gallon of regular gas was even higher last week, at $3.92 per gallon, up from $3.60 per gallon a year earlier.

The unwelcome — to say the least — jump in gas prices has renewed the outrage toward oil futures speculators who are suspected of driving the price of gas up despite what many experts say is an ample supply and reduced demand for oil.

The run-up in prices prompted Vermont's congressional delegation March 5 to sign on to a letter sent to the commissioners of the Commodity Futures Trading Commission in Washington, D.C., urging them to "immediately enact strong position limits to eliminate excessive oil speculation as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010."

"According to the Energy Information Administration, the supply of oil and gasoline is higher today than it was three years ago, when the national average price for a gallon of gasoline was just $1.90," the letter states. "And, while the national average price of gasoline is now over $3.70 a gallon, the demand for oil in the U.S. is at its lowest level since April of 1997."

David Carle, Sen. Patrick Leahy's director of communications, said last week that speculators seize on any bad news to drive the cost of oil up.

"We have very little control over speculation about an attack on Iran and general unease in the Middle East," Carle said.

Hartigan concurs.

"They've done it before. I wouldn't be surprised if they're doing it again," he said of speculators driving up the price of oil. "They've got an opportunity to do it. They use any crisis they can, whether real or imagined."

Following up on the March 5 letter to the Commodity Futures Trading Commission, Sen. Bernie Sanders, I-Vt., on March 21 sponsored a bill that would set a 14-day deadline for the commission to "implement rules to stop excessive speculation by Wall Street traders in oil futures markets," according to a news release. Sanders' bill was co-sponsored by six other Democratic senators. Carle said Sen. Leahy is still considering the bill.

Taking another tack, Rep. Peter Welch, D-Vt., has been urging President Barack Obama to tap the Strategic Petroleum Reserve to tamp down gas prices, a temporary fix that has worked in the past, most recently last year when President Obama released 30 million barrels of oil from the reserve in conjunction with the release of an additional 30 million barrels from international partners, dropping prices by 8 percent.

"Deploying the reserves is not a long-term fix to high gas prices," Welch said in a prepared statement. "But it is an effective, American-owned tool that can bring relief to struggling consumers."

The legitimate role of the oil futures market, Sanders said last week, is to lock in a price for businesses that are actually going to take delivery of gasoline and other oil products, unlike speculators, who have no intention of taking possession of the oil they buy.

"People in the oil futures market now wouldn't know what to do with a tanker full of oil," said Gregory Gause, professor of political science at the University of Vermont. "They have to liquidate before taking possession of actual oil."

Sanders explained the oil futures market should play the same role in business as "any Vermonter who wants to have a stable price for next year's home heating oil."

"If you're running Delta Air Lines, using enormous amounts of oil, you can build a business model based on what you know it will cost," Sanders said.

Speculators have a role to play in the oil futures market, Welch said, helping to keep it liquid, but only up to a point. Historically, the market was dominated by end users, who accounted for about 80 percent of the activity. Now that has been turned on its head, according to Welch and Sanders, with 80 percent of the market going to speculators.

"It's not like speculation is a four-letter word," Welch said. "But when the market is dominated by speculators rather than the productive economy, things have gone haywire."

While he agrees that speculation has become a "real driving force" in the oil market, professor Gause cautions that it doesn't nearly explain all of the increase in gas prices. Citing a study by the investment bank Goldman Sachs, one of the biggest oil speculators of all, a recent Forbes magazine story attributes 56 cents of the price of a gallon of gas to "excessive oil speculation." Demand for oil in the United States may be down, Gause said, but worldwide it's up.

"There has been a profound shift in demand with the rise of new economic actors in China and southeast Asia, and other growing economies like South Korea and Malaysia," Gause said.

In 1985, the Asia Pacific region, including China and India, consumed about 10 million barrels of oil a day, Gause said. By 2010, that consumption had nearly tripled to 27 million barrels a day.

"We still have among the highest consumption per capita in the world, but in terms of growth, it's Asia," Gause said.

A recent study by the Federal Reserve Bank of St. Louis also backs Gause up, estimating that global demand explains 40 percent of the oil price increase within the past decade, while speculation accounted for about 15 percent of the rise.

Wherever it comes from, the growth in oil consumption and rise in gas prices have most directly benefited the top five oil companies in the world — BP, ExxonMobil, Chevron, Shell and ConocoPhillips. In a Senate debate leading up to a vote last week on a bill to end about $2 billion in annual tax credits for these companies, Sen. Leahy pointed out that in the past decade, the top five oil companies have "amassed combined profits of almost $1 trillion."

"Last year was no different," Leahy said. "Due to skyrocketing prices for oil, these same five corporations raked in a record-breaking $137 billion in profits."

The Repeal Big Oil Tax Subsidies Act, as it was known, failed to pass.